

United States District Court

FOR THE
NORTHERN DISTRICT OF CALIFORNIA

VENUE: SAN FRANCISCO

UNITED STATES OF AMERICA,

V.

CR-19-0034

RAMESH KRIS NATHAN,

DEFENDANT(S).

INDICTMENT

18 U.S.C. § 1343 - Wire Fraud
18 U.S.C. § 1957 - Money Laundering
18 U.S.C. § 1028A - Aggravated Identity Theft
18 U.S.C. §§ 981, 982 & 28 U.S.C. § 2461 - Criminal Forfeiture

A true bill.

Linda Joy

Foreman

Filed in open court this 17th day of

Jan, 2019

Stephen Ybarra

Stephen D. Lopez

Clerk

Bail, \$

FILED
JAN 17 2019
SUSAN Y. SOONG
CLERK, U.S. DISTRICT COURT
NORTH DISTRICT OF CALIFORNIA

CRB

SEALED
BY COURT REPORTER

1-MJT

AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT
 BY: ☐ COMPLAINT ☐ INFORMATION ☒ INDICTMENT
☐ SUPERSEDING
OFFENSE CHARGED
 COUNTS 1-6: 18 U.S.C. § 1343 - Wire Fraud
 COUNTS 7-8: 18 U.S.C. § 1957 - Money Laundering
 COUNT 9: 18 U.S.C. § 1028A - Aggravated Identity Theft

☐ Petty
☐ Minor
☐ Misdemeanor
☒ Felony

PENALTY: See attached

SEALED BY COURT ORDER

Name of District Court, and/or Judge/Magistrate Location

NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

DEFENDANT - U.S.

Ramesh Kris Nathan

DISTRICT COURT NUMBER

CR 19 0034**PROCEEDING**

Name of Complainant Agency, or Person (& Title, if any)

FBI

☐ person is awaiting trial in another Federal or State Court, give name of court

☐ this person/proceeding is transferred from another district per (circle one) FRCrp 20, 21, or 40. Show District

☐ this is a reprosecution of charges previously dismissed which were dismissed on motion of:

☐ U.S. ATTORNEY ☐ DEFENSE

SHOW DOCKET NO.

☐ this prosecution relates to a pending case involving this same defendant

MAGISTRATE CASE NO.

☐ prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

Name and Office of Person

Furnishing Information on this form DAVID ANDERSON
☒ U.S. Attorney ☐ Other U.S. Agency

Name of Assistant U.S.

Attorney (if assigned) SAUSA Christopher Vieira**IS NOT IN CUSTODY**

Has not been arrested, pending outcome this proceeding.

 1) ☒ If not detained give date any prior summons was served on above charges
2) ☐ Is a Fugitive3) ☐ Is on Bail or Release from (show District)**IS IN CUSTODY**4) ☐ On this charge5) ☐ On another conviction
☐ Federal ☐ State
6) ☐ Awaiting trial on other charges

If answer to (6) is "Yes", show name of institution

 Has detainer been filed? ☐ Yes ☐ No

If "Yes" give date filed

DATE OF ARREST

Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED TO U.S. CUSTODY

Month/Day/Year

☐ This report amends AO 257 previously submitted
ADDITIONAL INFORMATION OR COMMENTS**PROCESS:**
☐ SUMMONS ☐ NO PROCESS* ☒ WARRANT
Bail Amount: no bail

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address:

* Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time:

Before Judge:

Comments:

COUNTS 1-6: 20 years imprisonment, \$250,000 fine, 3 years of supervised release, \$100 mandatory special assessment

COUNTS 7-8: 10 years imprisonment, \$250,000 fine, 3 years of supervised release, \$100 mandatory special assessment

COUNT 9: Mandatory 2 years' imprisonment consecutive to any other sentence; \$250,000 fine, 1 year of supervised release, \$100 mandatory special assessment

1 DAVID L. ANDERSON (CABN 149604)
2 United States Attorney

FILED
JAN 17 2019
SUSAN Y. SOONG
CLERK U.S. DISTRICT COURT
NORTH DISTRICT OF CALIFORNIA

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8 UNITED STATES DISTRICT COURT
9 NORTHERN DISTRICT OF CALIFORNIA
10 SAN FRANCISCO DIVISION

11
12 UNITED STATES OF AMERICA,

13 Plaintiff,

14 v.

15 RAMESH KRIS NATHAN,

16 Defendant.

CR 19 0034

VIOLATIONS:

18 U.S.C. § 1343 – Wire Fraud
18 U.S.C. § 1957 – Money Laundering
18 U.S.C. § 1028A – Aggravated Identity Theft
18 U.S.C. §§ 981, 982 & 28 U.S.C. § 2461 – Criminal
Forfeiture

UNDER SEAL

17
18
19 INDICTMENT

20 The Grand Jury charges:

21 Introductory Allegations

22 1. The defendant, Ramesh Kris Nathan (“NATHAN”), owned and operated a company
23 called Relativity Research Fund, Inc. (“Relativity”). NATHAN incorporated Relativity in June 2016.

24 2. Relativity was a corporation organized under the laws of the State of Nevada. Relativity
25 maintained an office space at 101 California Street, San Francisco, California.

26 3. Relativity maintained a bank account ending in 3293 at Bank of America in San
27 Francisco, California.

28 4. Relativity maintained a bank account ending in 6208 at Bank of America in San

INDICTMENT

1 Francisco, California.

2 5. NATHAN maintained a personal bank account ending in 3137 at Bank of America.

3 The Scheme to Defraud Relativity's Investors

4 COUNTS ONE THROUGH SIX: 18 U.S.C. § 1343 – Wire Fraud

5 6. Paragraphs 1 through 5 are re-alleged and incorporated as if fully set forth herein.

6 7. On or about the dates set forth in paragraph 11 below, in the Northern District of
7 California, and elsewhere, the defendant,

8 RAMESH KRIS NATHAN,

9 for the purpose of executing the material scheme and artifice to defraud, and for obtaining money and
10 property by means of materially false and fraudulent pretenses, representations, and promises, did
11 knowingly transmit and cause to be transmitted by means of wire communication in interstate commerce
12 certain writings, signs, signals, and pictures, that is electronic funds transfers and payments as further set
13 out below, each in violation of Title 18, United States Code, Section 1343.

14 Manner and Means of the Scheme to Defraud Relativity's Investors

15 8. From a time unknown but beginning no later than January 2016 through August 2017,
16 NATHAN knowingly participated in, devised, and intended to devise a scheme to defraud Relativity
17 investors, and to obtain money and property by means of materially false and fraudulent pretenses,
18 representations and promises.

19 9. In January 2016, NATHAN registered the domain name “relativityresearch.co” to Hidden
20 Light Society LLC, a company that he controlled.

21 10. On June 23, 2016, NATHAN incorporated Relativity Research Fund, Inc. with the
22 Nevada Secretary of State. NATHAN listed himself as the company's secretary and treasurer, and a
23 person known to the Grand Jury, and referred to herein as Investor 1, as the company's president.

24 11. In July 2016, NATHAN rented office space for Relativity in San Francisco, California.
25 Relativity's bank statements were addressed to the San Francisco office, some Relativity investors
26 mailed checks to the San Francisco office, and Relativity's website listed the San Francisco office as one
27 of Relativity's business locations.

28 12. In approximately June 2016, NATHAN recruited Investor 1 to work for Relativity and to

1 recruit investors. NATHAN also asked Investor 1 to invest in Relativity. In exchange for recruiting
2 investors and investing in Relativity, NATHAN promised to make Investor 1 the company's Chief
3 Operating Officer.

4 13. With Relativity's website, virtual office space, corporate entity, and Investor 1 in place,
5 NATHAN proceeded with his scheme to defraud by making, or causing to be made, among other things,
6 (1) false and misleading written and verbal statements on Relativity's website and (2) false and
7 misleading statements in investor emails. NATHAN represented to investors that:

8 a. Relativity had seven worldwide offices, employed 15,456 employees, generated
9 gross revenue of \$36.87 billion in the fourth quarter of 2016, and earned a net profit of \$29.8
10 billion in the fourth quarter of 2016; when, in truth, NATHAN knew that Relativity had no
11 offices, no employees, no revenues, and no profits.

12 b. Relativity was initially capitalized by a \$10,000,000 investment, \$9,500,000 of
13 which NATHAN and Investor 1 invested; when, in truth, NATHAN knew that Relativity was
14 never capitalized as such.

15 c. Money raised from investors would be used to develop prototype spacecraft and
16 to fund research and development of space-related propulsion systems; when, in truth, NATHAN
17 either spent investor funds on his own personal and travel expenses or transferred investor funds
18 to his overseas bank account, his mother, and his then-girlfriend.

19 d. Relativity was involved in developing advanced robotics, interstellar space travel
20 technology, carbon nanotube technology, cloud computing services, combustion-free propulsion
21 systems, and clean energy technology; when, in truth, NATHAN knew that Relativity was not
22 involved in developing any such technologies and in fact did not have any business activities.

23 e. Relativity would merge with BaselineAgent Corporation on November 4, 2016;
24 when, in truth, NATHAN knew that a merger was never going to occur.

25 f. Relativity had completed all of the requirements for listing its shares on the
26 Nasdaq Private Market, those shares would trade on the Nasdaq Private Market, and that
27 investors could trade their Relativity shares on the Nasdaq Private Market; when, in truth,
28 NATHAN knew that Relativity had not taken necessary steps to list its shares on the Nasdaq

Private Market, Relativity's shares would never trade on the Nasdaq Private Market, and Relativity's investors would never be able to trade their shares on the Nasdaq Private Market.

g. Relativity shares had value; when, in truth, NATHAN knew that Relativity did not have any business activities, he was using investor funds for his own personal gain, and Relativity's shares were worthless.

Wires in Furtherance of the Scheme to Defraud Relativity's Investors

14. As a result of the scheme to defraud Relativity investors, and after receiving false and misleading statements, misrepresentations, and omissions from NATHAN, persons known to the Grand Jury and referred to herein as Investors 1, 2, 3, 4, 5, and 6 initiated the following electronic funds transfers for the purpose of investing money in Relativity:

COUNT	DATE	ITEM WIRED	WIRED FROM	WIRED TO
1	8/8/2016	\$1,500	Investor #1's Citibank bank account	Relativity's Bank of America 3293 account
2	8/1/2016	\$7,000	Investor #2's USAA bank account	Relativity's Bank of America 3293 account
3	1/25/2017	\$5,000	Investor #3's Wells Fargo Bank account	Relativity's Bank of America 3293 account
4	6/22/2017	\$22,800	Investor #4's Pinnacle Bank account	Relativity's Bank of America 3293 account
5	7/24/2017	\$335	Investor #5's Navy Federal bank account	Relativity's Bank of America 3293 account
6	7/25/2017	\$10,000	Investor #6's Wells Fargo Bank account	Relativity's Bank of America 3293 account

15. These transfers used a domestic electronic funds transfer system known as the Fedwire system, which is owned and operated by the United States Federal Reserve System. All Fedwire wire transfers alleged in this Indictment were electronically routed through Fedwire centers in East Rutherford, New Jersey and/or Dallas, Texas and into Relativity's bank account in the Northern District of California. All of the wire transfers alleged in this Indictment traveled between one state and another state.

COUNTS SEVEN AND EIGHT: 18 U.S.C. § 1957 – Money Laundering

16. Paragraphs 1 through 15 are re-alleged and incorporated as if fully set forth herein.

17. On or about the dates set forth below, in the Northern District of California, and elsewhere, the defendant,

RAMESH KRIS NATHAN,

1 did knowingly engage in a monetary transaction by, through, and to a financial institution, in and
 2 affecting interstate commerce, involving criminally derived property of a value greater than \$10,000,
 3 said property having in fact been derived from a specified unlawful activity, namely wire fraud, as set
 4 forth below:

COUNT	DATE	AMOUNT	SENT FROM	SENT TO
7	6/23/2017	\$22,000	Relativity's Bank of America 3293 account	Relativity's Bank of America 6208 account
8	7/26/2017	\$25,000	Relativity's Bank of America 3293 account	Relativity's Bank of America 6208 account

8 Each in violation of Title 18, United States Code, Section 1957.

9 COUNT NINE: 18 U.S.C. § 1028A – Aggravated Identity Theft

10 18. Paragraphs 1 through 15 are re-alleged and incorporated as if fully set forth herein.

11 19. On or about August 1, 2016, in the Northern District of California, and elsewhere, the
 12 defendant,

13 RAMESH KRIS NATHAN,

14 did knowingly use, without lawful authority, a means of identification of another person, during and in
 15 relation to a felony violation of Title 18, United States Code, Section 1343, specifically, by opening and
 16 maintaining the Bank of America 6208 account using the name and personal identification of Investor 1
 17 during and in furtherance of the Relativity scheme to defraud, knowing that the means of identification
 18 belonged to another actual person, in violation of Title 18, United States Code, Section 1028A(a)(1).

19 FORFEITURE ALLEGATION: 18 U.S.C. §§ 981, 982 and 28 U.S.C. § 2461 – Criminal Forfeiture

20 20. The allegations above are re-alleged and incorporated as if fully set forth herein for the
 21 purposes of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Sections 981
 22 and 982 and Title 28 United States Code, Section 2461.

23 21. Upon a conviction of any offense alleged in Counts One through Six, the defendant,

24 RAMESH KRIS NATHAN,

25 shall forfeit to the United States of America, pursuant to Title 18, United States Code, Sections
 26 981(a)(1)(C) and 982(a)(2), and Title 28, United States Code, Section 2461(c), any property, real or
 27
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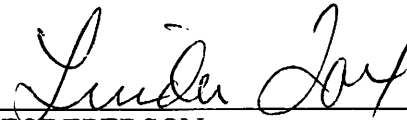
1 personal, which constitutes or is derived from proceeds traceable to the violation, including but not
2 limited to a forfeiture money judgment.

3 22. Upon a conviction of any offense alleged in Counts Seven and Eight, the defendant,
4 RAMESH KRIS NATHAN,
5 shall forfeit to the United States of America, pursuant to Title 18, United States Code, Sections
6 981(a)(1) and 982(a), and Title 28, United States Code, Section 2461(c), any property, real or personal,
7 which is involved in, constitutes or is derived from proceeds of, or is traceable to the violation, including
8 but not limited to a forfeiture money judgment.


9 All pursuant to Title 18, United States Code, Sections 981 and 982, Title 28, United States Code,
10 Section 2461(c), and Federal Rule of Criminal Procedure 32.2.


11
12 DATED: 1-17-19

A TRUE BILL.

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14 
15 FOREPERSON
San Francisco

16 DAVID L. ANDERSON
17 United States Attorney

18 
19 DANIEL KALEBA
20 Deputy Chief, Criminal Division

21
22 (Approved as to form: )
23 CHRISTOPHER VIEIRA
Special Assistant United States Attorney

SEALING
BY COURT ORDER

**UNITED STATES DISTRICT COURT
 NORTHERN DISTRICT OF CALIFORNIA**

CRIMINAL COVER SHEET

Instructions: Effective November 1, 2016, this Criminal Cover Sheet must be completed and submitted, along with the Defendant Information Form, for each new criminal case.

CASE NAME:

USA v. RAMESH KRIS NATHAN

CR 19 0034

CASE NUMBER:

CR

Is This Case Under Seal?

Yes ☒ No

Total Number of Defendants:

1 ☒ 2-7

8 or more

CRB

Does this case involve ONLY charges under 8 U.S.C. § 1325 and/or 1326?

Yes No ☒

Venue (Per Crim. L.R. 18-1):

SF ☒ OAK SJ

Is this a potential high-cost case?

Yes No ☒

Is any defendant charged with a death-penalty-eligible crime?

Yes No ☒

Is this a RICO Act gang case?

Yes No ☒

Assigned AUSA
 (Lead Attorney): Christopher Vieira

Date Submitted: 1/17/2019

Comments:

CR19-0034-CRB